

COMMUNITY UNITED AGAINST VIOLENCE, INC.
REPORT ON AUDIT OF FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2008
(WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2007)

DATE RECEIVED:



AUDIT REVIEW #(s) 048102

Assigned To: Leahy

Date Reviewed: 7-7-09

Reviewer's Initials: SL

Date Review(s) Completed: 7-7-09

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INDEPENDENT AUDITORS' REPORT

November 26, 2008

Board of Directors
Community United Against Violence, Inc.
170-A Capp Street
San Francisco, CA

We have audited the accompanying statement of financial position as of June 30, 2008 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of Community United Against Violence, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2007 financial statements and, in our report dated April 10, 2008, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community United Against Violence, Inc. at June 30, 2008, and the changes in its net assets, cash flows, and functional expenses for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2008 on our consideration of Community United Against Violence, Inc.'s internal control over financial reporting and on our tests

Board of Directors
Community United Against Violence, Inc.
San Francisco, California
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of its compliance with certain provision of laws, regulation, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Supplemental Schedule of Revenue and Expenditures on page 16 is not a required part of the basic financial statements but is supplementary information required by the state of California Governor's Office of Emergency Services. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements of Community United Against Violence, Inc.'s basic financial statements. The accompanying Schedule of Federal Financial Assistance is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Bedinger & Company
Certified Public Accountants

COMMUNITY UNITED AGAINST VIOLENCE, INC.**STATEMENT OF FINANCIAL POSITION**

JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2007)

<u>ASSETS</u>	Total	
	2008	2007
CURRENT ASSETS:		
Cash and cash equivalents	\$ -	\$ -
Grants receivable	343,456	159,047
Other receivables	1,043	-
Prepaid expenses	10,092	958
TOTAL CURRENT ASSETS	354,591	160,005
PROPERTY AND EQUIPMENT, NET (Note D)	6,945	11,060
DEPOSITS	20,245	24,519
TOTAL ASSETS	<u>\$ 381,781</u>	<u>\$ 195,584</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Bank overdraft	\$ 2,677	\$ 4,382
Accounts payable and accrued expenses	97,876	83,302
Line of credit (Note G)	70,701	98,460
Liability for unpaid rent (Note F)	-	18,456
Loans payable (Note H)	20,132	6,868
TOTAL CURRENT LIABILITIES	191,386	211,468
TOTAL LIABILITIES	<u>191,386</u>	<u>211,468</u>
COMMITMENTS AND CONTINGENCIES (Note I)		
NET ASSETS:		
Unrestricted	9,794	(82,879)
Temporarily restricted (Note E)	180,601	66,995
TOTAL NET ASSETS	<u>190,395</u>	<u>(15,884)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 381,781</u>	<u>\$ 195,584</u>

See Notes to Financial Statements

COMMUNITY UNITED AGAINST VIOLENCE, INC.**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

	Unrestricted	Temporarily Restricted	Total All Funds	
			2008	2007
<u>SUPPORT AND REVENUE</u>				
Grants	\$ -	\$ 125,508	\$ 125,508	\$ 123,500
Governmental grants		865,282	865,282	627,427
Contributions	35,703		35,703	29,324
Program service fees	7,197		7,197	1,538
Special events	32,233		32,233	31,739
Other income	1,447		1,447	2
In-kind support	144,900		144,900	140,292
	221,480	990,790	1,212,270	953,822
Net assets released from restrictions	877,184	(877,184)	-	-
TOTAL SUPPORT AND REVENUE	1,098,664	113,606	1,212,270	953,822
<u>EXPENSES</u>				
Program services	817,161		817,161	658,477
Support services	94,299		94,299	86,931
Fundraising	94,531		94,531	86,062
TOTAL EXPENSES	1,005,991	-	1,005,991	831,470
CHANGE IN NET ASSETS	92,673	113,606	206,279	122,352
NET ASSETS, beginning of year	(82,879)	66,995	(15,884)	(138,236)
NET ASSETS, end of year	\$ 9,794	\$ 180,601	\$ 190,395	\$ (15,884)

COMMUNITY UNITED AGAINST VIOLENCE, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

	Program Services	Support Services	Fundraising	Total All Funds	
				2008	2007
PERSONNEL COSTS					
Salary and wages	\$ 403,045	\$ 40,076	\$ 48,067	\$ 491,188	\$ 367,024
Employee benefits/payroll taxes	87,532	9,225	10,120	106,877	80,083
TOTAL PERSONNEL COSTS	490,577	49,301	58,187	598,065	447,107
OPERATING EXPENSES					
Supplies	9,025	954	904	10,883	4,548
Equipment lease and maintenance	19,184	1,366	1,425	21,975	19,102
Printing	550	750	2,860	4,160	3,104
Occupancy	48,563	6,966	6,850	62,379	67,811
Travel	1,554	995	985	3,534	1,255
Outreach	3,632	-	-	3,632	3,833
Insurance	6,325	748	655	7,728	8,522
Conferences and training	3,925	120	85	4,130	4,232
Sub-contract and contract personnel	58,112	-	2,000	60,112	64,024
Bank fees and interest		16,704		16,704	21,503
Miscellaneous	7,003	571	-	7,574	3,354
Postage and delivery	1,760	275	157	2,192	1,535
Dues and publications	840	9,830		10,670	300
Fundraising	-	-	3,647	3,647	1,651
Depreciation		4,115		4,115	4,534
Special events			15,364	15,364	14,428
Crisis line	10,875			10,875	10,302
Emergency victim assistance	875			875	840
Staff and volunteer appreciation	3,955	958	921	5,834	2,324
Telephone	5,506	646	491	6,643	6,869
In-kind	144,900	-	-	144,900	140,292
TOTAL OPERATING EXPENSES	326,584	44,998	36,344	407,926	384,363
TOTAL EXPENSES	\$ 817,161	\$ 94,299	\$ 94,531	\$ 1,005,991	\$ 831,470

COMMUNITY UNITED AGAINST VIOLENCE, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

	Total	
	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase <decrease> in net assets	\$ 206,279	\$ 122,352
ADJUSTMENTS TO RECONCILE TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation	4,115	4,534
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES:		
<Increase> decrease in:		
Grants receivable	(184,409)	(33,447)
Other receivables	(1,043)	1,316
Prepaid expenses	(9,134)	1,016
Deposits	4,274	7,259
Increase <decrease> in:		
Accounts payable and accrued expenses	14,574	(9,580)
Unpaid rent	(18,456)	(29,001)
NET CASH PROVIDED <USED> BY OPERATING ACTIVITIES	16,200	64,449
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase/diposal of equipment, net	-	(13,328)
NET CASH PROVIDED <USED> BY INVESTING ACTIVITIES	-	(13,328)
CASH FLOWS FROM FINANCING ACTIVITIES:		
<Payment> on debt	(30,495)	(65,500)
Short term borrowings	16,000	8,158
NET CASH PROVIDED <USED> FINANCING ACTIVITIES	(14,495)	(57,342)
NET INCREASE <DECREASE> IN CASH	1,705	(6,221)
CASH, beginning of year	(4,382)	1,839
CASH <BANK OVERDRAFT>, end of year	\$ (2,677)	\$ (4,382)
SUPPLEMENTAL DISCLOSURES:		
Interest paid	\$ 16,704	\$ 15,796

COMMUNITY UNITED AGAINST VIOLENCE, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

NOTE A – NATURE OF OPERATIONS

Community United Against Violence, Inc. (Organization) was incorporated in California as a non-profit public benefit corporation in 1981. The Organization is a multicultural organization working to end violence against and within lesbian, gay, bisexual, transgender and queer/questioning communities. The Organization offers 24-hour confidential, multilingual support line, free counseling, legal advocacy, and emergency assistance to survivors of domestic violence, hate violence and sexual assault. The Organization provides education as a tool through the speakers' bureau, youth program and the domestic violence prevention program.

NOTE B – SUMMARY OF ACCOUNTING POLICIES

Following is a description of the funds included in the financial statements:

Unrestricted Fund

This fund contains the unrestricted resources available for the support of the Organization's overall operations. Within each operating budget, a portion of these funds are designated for specific uses as approved by the Board of Directors. These funds are considered designated funds within the context of each operating budget. These funds, if unused for their designated purpose, may be redesignated by the Board of Directors.

Temporarily Restricted Fund

This fund contains funds which are restricted for certain uses based upon the intent of the donor.

Fund Accounting

The accounts of the Organization are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by fund groups.

COMMUNITY UNITED AGAINST VIOLENCE, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

NOTE B – SUMMARY OF ACCOUNTING POLICIES (continued)

Accrual Basis

The financial statements of the Organization have been prepared on the accrual basis of accounting. Revenues are recognized when they are earned, rather than when they are received, and expenses are recognized when they are incurred, rather than when they are paid.

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Revenue Recognition

In accordance with SFAS No. 116, grants and contributions received are recorded as unrestricted or temporarily restricted depending on the existence and nature of grantor restrictions. Contributions are recorded as restricted support if they are received with grantor stipulations that limit the use of the contributed assets. When a grantor restriction expires, that is, when a stipulated purpose restriction is accomplished, or a stipulated time restriction ends, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions.

Tax Exempt Status

The Organization has been granted tax-exempt status by the Internal Revenue Service and the California Franchise Tax Board under sections 501(c)(3) and 23701(d), respectively.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is generally provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method; generally three to five years.

COMMUNITY UNITED AGAINST VIOLENCE, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

NOTE B – SUMMARY OF ACCOUNTING POLICIES (continued)

Property and Equipment (continued)

Maintenance and repairs, which do not materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in operations as incurred.

Financial Statement Presentation

Under SFAS No. 117, the Organization is required to report information regarding their financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. The Organization had no permanently restricted net assets at June 30, 2008.

Net Assets Released From Restrictions

Net assets released from restrictions represent those temporarily restricted net assets that have been released from donor restrictions satisfied by the passage of time or performance restrictions are accomplished.

Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

Reclassifications

Certain reclassifications have been made in the 2007 comparative totals to conform to the classifications used in 2008.

Donated Services (In-Kind)

Donated services are included in revenue and expenditures at their estimated values at date of receipt.

COMMUNITY UNITED AGAINST VIOLENCE, INC.**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2008****(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)**

NOTE C – CONCENTRATION

The Organization received approximately 85% of its support during the year ended June 30, 2008 from the City and County of San Francisco and the State of California.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2008</u>	<u>2007</u>
Computer Equipment	\$18,361	\$18,361
Office Furniture and Equipment	1,252	1,252
Leasehold Improvements	<u>4,272</u>	<u>4,272</u>
	23,885	23,885
Less: Accumulated Depreciation	<u><16,940></u>	<u><12,825></u>
Total	<u>\$ 6,945</u>	<u>\$11,060</u>

Depreciation expense for the years ended June 30, 2008 and 2007 was \$4,115 and \$4,534, respectively.

NOTE E – TEMPORARILY RESTRICTED NET ASSETS

Net assets are temporarily restricted for the following purposes at June 30:

	<u>2008</u>	<u>2007</u>
Calif. Partnership to End Domestic Violence	\$130,601	\$ 0
San Francisco Foundation	0	19,912
Van LobenSels Foundation	0	2,500
Evelyn & Walter Haas, Jr. Foundation	50,000	39,583
Blue Shield of CA Foundation	<u>0</u>	<u>5,000</u>
	<u>\$180,601</u>	<u>\$66,995</u>

COMMUNITY UNITED AGAINST VIOLENCE, INC.**NOTES TO FINANCIAL STATEMENTS****YEAR ENDED JUNE 30, 2008****(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)**

NOTE F – LIABILITY FOR UNPAID RENT

The Organization entered into an agreement on July, 2007 to repay back rent of \$47,457 to it's former lessor at \$2,637 month until December, 2007 at which time any unpaid balance becomes due and payable. As of June 30, 2008, the current balance is \$0.

NOTE G – LINE OF CREDIT

The Organization has an unsecured \$98,000 revolving line of credit with Wells Fargo Bank. The bank advances on the credit line are payable on demand and carry a variable interest rate of 14% and 13.75% at June 30, 2008 and 2007, respectively. The total outstanding balances on the line of credit is \$70,701 and \$98,460 as of June 30, 2008 and 2007, respectively.

NOTE H – LOANS PAYABLE

Loans payable consisted of the following at June 30:

	<u>2008</u>	<u>2007</u>
Unsecured short-terms interest-free loans from Board members and staff, due on demand	\$16,000	\$ 0
Secured by computer equipment loan payable to Dell Services bearing interest at 0%, with monthly installment at \$335	<u>4,132</u>	<u>6,868</u>
	<u>\$ 20,132</u>	<u>\$ 6,868</u>

NOTE I – COMMITMENTS AND CONTINGENCIES

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Agency deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the provisions of the grants. The Agency's management is of the opinion that the organization has complied with the terms of all grants.

In May, 2006, the Organization entered into a lease for office space at 170-A Capp Street in San Francisco. The lease term is for 60 months with a base rent of \$3,602 to be adjusted annually at 3%. The annual charge for the lease was \$62,380 for the year ended June 30, 2008.

COMMUNITY UNITED AGAINST VIOLENCE, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

NOTE I – COMMITMENTS AND CONTINGENCIES (continued)

Total future commitments consist of the following at June 30:

2009	\$ 46,082
2010	47,468
2011	40,540
	<hr/>
	\$ 134,090

ADDITIONAL INFORMATION

COMMUNITY UNITED AGAINST VIOLENCE, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2008

A. SUMMARY OF AUDIT RESULTS:

1. The auditor's report expresses an unqualified opinion on the financial statements of *Community United Against Violence, Inc.*
- 2.
3. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report on Organization's Compliance and Internal Control over Financial Reporting.
4. No instances of noncompliance material to the financial statements of *Community United Against Violence, Inc.* were disclosed during the audit.
5. The programs tested as major programs included:

None
6. The threshold for distinguishing Types A and B programs was \$300,000.
7. *Community United Against Violence, Inc.* was determined to be a low-risk auditee.

B. FINDINGS-FINANCIAL STATEMENTS AUDIT:

None

C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAMS AUDIT:

N/A

COMMUNITY UNITED AGAINST VIOLENCE, INC.
SCHEDULE OF FEDERAL, STATE, COUNTY AND CITY FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2008

AGENCY	CFDA	Contract Number	Contract begin date	Contract end date	Contract amount	2008 Revenue	2008 Total Expended
<u>Federal Financial Assistance</u>							
Pass-through: State of California OES 075-95004 Hate Violence Survivors Project	16.575	SV 06 07 1622	7/1/2007	9/30/2007	\$ 110,000	\$ 29,698	\$ 29,698
OES 075-95004 Hate Violence Survivors Project	16.575	SV 07 08 1622	10/1/2007	6/30/2008	110,000	76,982	76,982
					220,000	106,680	106,680
<u>State Financial Assistance</u>							
DPH - Domestic Violence Program		05-45023	7/1/2007	6/30/2008	221,329	220,000	220,000
					221,329	220,000	220,000
<u>City and County Assistance</u>							
Department on the Status of Women			7/1/2007	6/30/2008	48,931	48,931	48,931
Department on the Status of Women			7/1/2007	6/30/2008	12,319	12,319	12,319
San Francisco District Attorney's Office			7/1/2007	6/30/2008	255,751	255,751	255,751
CPEDV			7/1/2007	6/30/2008	221,601	221,601	91,000
					538,602	538,602	408,001
TOTAL FEDERAL, STATE, COUNTY AND CITY AWARDS					\$ 979,931	\$ 865,282	\$ 734,681

COMMUNITY UNITED AGAINST VIOLENCE, INC.

SUPPLEMENTAL SCHEDULE OF REVENUE AND EXPENDITURES BY COST CATEGORY

GOVERNOR'S OFFICE OF EMERGENCY SERVICES LOCAL ASSISTANCE MONITORING BRANCH

SPECIAL VICTIM ASSISTANCE PROGRAM

FOR THE PERIOD JULY 1, 2007 THROUGH JUNE 30, 2008

	Contract Number SV 06 07 1622 07/01/07 THROUGH 09/30/07	Contract Number SV 07 08 1622 10/01/07 THROUGH 06/30/08	TOTAL AUDITED	TOTAL REPORTED
<u>REVENUE</u>				
Grant Revenue	\$ 29,698	\$ 76,982	\$ 106,680	\$ 106,680
TOTAL REVENUE	<u>29,698</u>	<u>76,982</u>	<u>106,680</u>	<u>106,680</u>
<u>EXPENDITURES</u>				
Salary and wages	18,688	49,176	67,864	67,864
Employee benefits/payroll taxes	3,792	9,952	13,744	13,744
TOTAL PERSONNEL COSTS	<u>22,480</u>	<u>59,128</u>	<u>81,608</u>	<u>81,608</u>
<u>OPERATING EXPENSES:</u>				
Audit		1,500	1,500	1,500
Conferences & Training	500	370	870	870
Crisis Line expenses	1,575	4,891	6,466	6,466
Emergency Victim Assistance	178	418	596	596
Office equipment maintenance and rental	400	360	760	760
Office supplies	270	630	900	900
Outreach	384	300	684	684
Postage and delivery	180	360	540	540
Rent	1,080	2,574	3,654	3,654
Stipends		15	15	15
Telephone and internet	708	1,071	1,779	1,779
Travel	74	104	178	178
Other miscellaneous expenses	1,869	5,261	7,130	7,130
TOTAL OPERATING EXPENSES	<u>7,218</u>	<u>17,854</u>	<u>25,072</u>	<u>25,072</u>
TOTAL EXPENDITURES	<u>\$ 29,698</u>	<u>\$ 76,982</u>	<u>\$ 106,680</u>	<u>\$ 106,680</u>

ADDITIONAL REPORTS

COMMUNITY UNITED AGAINST VIOLENCE, INC.

INDEPENDENT AUDITORS' REPORT ON ORGANIZATION'S
COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING

November 26, 2008

Board of Directors
Community United Against Violence, Inc.
San Francisco, California

We have audited the financial statements of Community United Against Violence, Inc. as of and for the year ended June 30, 2008 and have issued our report thereon dated November 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Community United Against Violence, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community United Against Violence, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Community United Against Violence, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Community United Against Violence, Inc.'s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Community United Against Violence, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by Community United Against Violence, Inc.'s internal control.

Board of Directors
Community United Against Violence, Inc.
San Francisco, California
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A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Cambridge Community Center's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community United Against Violence, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, and their federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bedinger & Company
Certified Public Accountants